

MONTANA LEGISLATIVE HISTORY

90- Sess.

2000

Chapter 1 19

Bill H _____ S 7

Original bill & history ☒ c

H. Committee on Agriculture

Hearing Date(s) _____ c

5/10 ☒ c

_____ c

_____ c

Date Out 5/10 ☒ c

S. Committee on Agriculture

Hearing Date(s) _____ c

5/8 ☒ c

_____ c

_____ c

out 5/8 ☒

Did this bill originate in an interim committee? _____ Yes ☒ No

Committee _____

Report _____

SENATE BILLS AND RESOLUTIONS

SB 6 Introduced by McNutt

LC0020 Drafter: Campbell

Allow participation by private financial institutions with the Board of Investments in providing loans to business enterprises;...

5/02	Fiscal Note Needed		
5/04	Introduced		
5/04	Referred to Finance And Claims		
5/08	Hearing		
5/08	Committee Executive Action—Bill Passed as Amended	18	0
5/08	Committee Report—Bill Passed as Amended		
5/08	Fiscal Note Printed		
5/08	2nd Reading Passed	49	0
5/08	3rd Reading Passed	49	0
	Transmitted to House		
5/08	Referred to Appropriations		
5/09	Hearing		
5/09	Committee Executive Action—Bill Concurred	17	0
5/09	Committee Report—Bill Concurred		
5/09	2nd Reading Concurred	91	8
5/09	3rd Reading Concurred	91	8
	Returned to Senate		
5/10	Sent to Enrolling		
5/10	Returned From Enrolling		
5/11	Signed by President		
5/11	Signed by Speaker		
5/11	Transmitted to Governor		
5/11	Signed by Governor		
5/12	Chapter Number Assigned		
	Chapter Number 4		
	Effective Date: 5/11/2000 - All Sections		

SB 7 Introduced by Hertel

LC0024 Drafter: Higgins

Impose a moratorium on new applications for initial alternative livestock ranch licenses until a live test for chronic wasting disease is developed and is approved by the Department of Livestock;...

5/05	Fiscal Note Needed		
5/08	Introduced		
5/08	Referred to Select Committee on Agriculture		
5/08	Hearing		
5/08	Committee Executive Action—Bill Passed as Amended	13	1
5/08	Committee Report—Bill Passed as Amended		
5/09	2nd Reading Passed	40	9
5/09	3rd Reading Passed	40	9
	Transmitted to House		
5/09	Fiscal Note Printed		
5/09	Referred to Agriculture		
5/10	Hearing		
5/10	Committee Executive Action—Bill Concurred	14	5
5/10	Committee Report—Bill Concurred		
5/10	2nd Reading Concurred	88	12
5/10	3rd Reading Concurred	87	13
	Returned to Senate		
5/11	Sent to Enrolling		
5/11	Returned From Enrolling		

HISTORY AND FINAL STATUS MAY 2000 SPECIAL SESSION

12

5/11 Signed by President
5/11 Signed by Speaker
5/11 Transmitted to Governor
5/11 Signed by Governor
5/11 Chapter Number Assigned
Chapter Number 1
Effective Date: 5/11/2000 - All Sections

SB 8 Introduced by Doherty *LC0016 Drafter: Bohyer*

Provide property tax relief for certain residential land and improvements;...

4/24 Fiscal Note Needed
5/08 Introduced
5/08 Referred to Select Committee on Taxation
5/08 Fiscal Note Printed
5/09 Hearing
Died in Standing Committee

SB 9 Introduced by Swysgood, et al. *LC0025 Drafter: Petesch*

Revise reclamation requirements to provide standards for reclamation of open pits and rock faces;...

5/08	Fiscal Note Needed		
5/08	Introduced		
5/08	Referred to Select Committee on Natural Resources		
5/09	Hearing		
5/09	Committee Executive Action—Bill Passed as Amended	10	3
5/09	Committee Report—Bill Passed as Amended		
5/09	2nd Reading Passed	33	16
5/09	3rd Reading Passed	34	15

Transmitted to House

5/09	Fiscal Note Printed		
5/09	Referred to Natural Resources		
5/10	Hearing		
5/10	Committee Executive Action—Bill Concurred	13	9
5/10	Committee Report—Bill Concurred		
5/10	2nd Reading Concurred	60	40
5/10	3rd Reading Concurred	60	40

Returned to Senate

5/11 Returned From Enrolling
5/11 Sent to Enrolling
5/12 Signed by President
5/17 Signed by Speaker
5/18 Transmitted to Governor
5/18 Signed by Governor
5/18 Chapter Number Assigned
Chapter Number 7
Effective Date: 5/18/2000 - All Sections

SB 10 Introduced by Wells *LC0028 Drafter: Petesch*

Eliminate the requirement that an applicant for a hunting or fishing license include the applicant's social security number on the application;...

5/08 Fiscal Note Needed
5/09 Introduced
5/09 Referred to Judiciary

MINUTES

**MONTANA SENATE
56th LEGISLATURE - SPECIAL SESSION
SELECT COMMITTEE ON AGRICULTURE**

Call to Order: By **CHAIRMAN REINY JABS**, on May 8, 2000 at 4:00 P.M., in Room 225, Scott Hart Building.

ROLL CALL

Members Present:

Sen. Reiny Jabs, Chairman (R)
Sen. Walter McNutt, Vice Chairman (R)
Sen. Sue Bartlett (D)
Sen. Tom A. Beck (R)
Sen. Gerry Devlin (R)
Sen. Pete Ekegren (R)
Sen. Mike Halligan (D)
Sen. John Hertel (R)
Sen. Ric Holden (R)
Sen. Greg Jergeson (D)
Sen. Ken Mesaros (R)
Sen. Linda Nelson (D)
Sen. Mike Sprague (R)
Sen. Jon Tester (D)

Members Excused: None.

Members Absent: None.

Staff Present: Mary Gay Wells, Committee Secretary
Jodi Pauley, Committee Secretary
Doug Sternberg, Legislative Branch

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: SB7, 5/8/2000
Executive Action: SB7

{Tape : 1; Side : A; Approx. Time Counter : 10}

HEARING ON SB7

Sponsor: SENATOR JOHN HERTEL, SD 47

Proponents: Mark Taylor, Montana Alternative Livestock

Producers (MALP)

Bob Spoklie, Board Member of MALP

SENATOR MACK COLE, SD 4

Opponents: Stan Frasier

Opening Statement by Sponsor: SENATOR JOHN HERTEL, SD 47

presented SB7. SB7 is important to many Montanans, not just to Montana alternative livestock producers. I'm sure that you remember SB361 from the 1999 Legislative Session. There was a great deal of discussion on that bill and this bill does not, in any way, take up that particular issue. This bill states, as in the Title, that a moratorium will be placed on new alternative livestock ranch licenses until a live test for chronic wasting disease (CWD) is developed and approved by the Department of Livestock.

We have all heard about CWD. This has been in the forefront of Montana news this past year, especially since there had been a diagnosed test of CWD here in Montana. This particular animal was on the property of an individual who owns and operates an elk farm. And the sad realization of it, is that there is no live test or procedure to test animals to affirm that they really have this disease. The only test today is to obtain brain cells from an animal and that animal must be killed. Since the finding of the CWD disease on the farm in Philipsburg, it has come to light that in some cases information has not always been factual. This has caused some hysteria and emotions in the general public that has definitely damaged those involved in the alternative livestock organization.

You may ask, why is this bill being pushed into this Special Session? Time is of the essence. We desperately need this legislation enacted so that some kind of boundaries can be put on this misinformation. To delay another seven months will only further hurt Montana's disease testing. This bill will prove to the general public that the alternative livestock organization is

very interested in finding and developing a method to test CWD in live animals. Who is more at risk with CWD? Who has more to lose? I believe that it is the alternative livestock people. Referring to the Philipsburg situation, this rancher had to destroy all of his animals because they all had to be tested. Only the one elk showed positive symptoms of having this disease and this rancher may never fully recover financially from this situation.

Therefore, a test is vital for these people and gives them protection. These people do not want to see the spreading of CWD in the State of Montana. They are more intent about this issue than anyone else because they have more to lose and it is their livelihood. I have heard through the media that this bill is merely an attempt to confuse and ultimately defeat the game farm reform initiative that I have heard is being formulated. I say again, that is not the intent of this bill at all. This legislation changes the law to truly address the concerns associated with CWD. I have been assured from the Department of Livestock that they are working very hard to develop this live test. I do believe this bill will give more of an incentive to the Department of Livestock to work harder to get this test developed.

He read line 14 of the bill concerning "accept any new applications". I have met with Mr. Greg Petesch about this and what that means is that if someone has applied for a license they will not be affected. This bill affects only those who would apply after this bill has been passed by the legislature and signed by the Governor.

For the record, I am not a member of the Montana Alternative Livestock Producers. I do not own a game farm or have I applied for a license to own one. However, I am very interested in this issue and strongly believe in private property rights. I am a farmer and rancher and fully understand the financial strains that many of us are in today. There are those farmers and ranchers who have turned to alternative livestock business to help them survive and continue their way of life. There are people who need this help. This legislation is an assertive effort on their part.

{Tape : 1; Side : A; Approx. Time Counter : 84}

Proponents' Testimony:

Mark Taylor, Representing the Montana Alternative Livestock Producers handed in his testimony EXHIBIT(1). He also submitted letters for the committees' review EXHIBIT(2).

{Tape : 1; Side : A; Approx. Time Counter : 150}

Bob Spoklie, Board of Directors of MALP handed in his testimony. EXHIBIT(3)

{Tape : 1; Side : A; Approx. Time Counter : 261}

SENATOR MACK COLE, SD 4 said there are a number of alternative livestock producers who live in my Senate District along the Musselshell River. In many cases, these alternative livestock producers, whether it be elk or some other type of non-traditional livestock, have been able to use this type of business to help them keep their ranches. One man told me that he wished he had enough money to change completely from cattle to elk. It is an important part of our industry regardless of what kind of livestock is being raised. I would like to commend the Montana Alternative Livestock Producers for stepping forward and saying they do have a problem, we are looking at it and are going to take care of it. Hopefully this bill will help in whatever way possible.

Opponents' Testimony:

Stan Frasier, Helena. I would disagree that this bill will help. It may be a step in the right direction and only a baby step at that. It looks more like a side step than any real meaningful reform. I think this is about the initiative although SEN. HERTEL would disagree. The biggest problem I have with the bill is that it does not address the problems created by elk ranching. CWD is only one of the disease problems that are prevalent in game farms. I received notice last week that there was another case of CWD confirmed on a game farm in Saskatchewan. Last week I heard that the outbreak of bovine tuberculosis that happened in Canada about eight to nine years ago came from game farm elk that were tested and certified to be TB free. It is estimated that this costs Canada \$1 billion in prevention and treatment. They had TB in cattle, elk and people and \$20 to \$30 million in direct

clean-up costs from that. CWD is not the only problem that is prevalent in game farms. I would suggest, that if you really want to do something meaningful, you amend it. Amend it to stop the movement of all game animals until the test for CWD is completed. This bill prevents animals from being moved to a new area or to a new game farm, but does not prevent movement of animals to other parts of the state. I would also suggest that you amend the bill to permanently stop the growth of the game farm industry. I would suggest double fencing on all existing game farms as this would prevent nose to nose contact between the penned animals and the wild animals. I still believe this bill is intended to derail the initiative that is in the pipeline. We have been trying to get this Legislature to propose real meaningful legislation on game farms for the past six years and they have been unwilling to do that.

{Tape : 1; Side : B; Approx. Time Counter : 33; Comments : This tape starts at (33). That is where the tape was when it was turned to Side B.}

Questions from Committee Members and Responses:

SENATOR GERRY DEVLIN asked Dr. Arnold Gertonson, State Veterinarian about the progress that is being made on the live test for CWD. Dr. Gertonson said that when the test will be available is going to depend, it may be a year or more. It is in the process of being worked on and there are several blood tests that are being looked at. Another test that is being looked at is similar to the scraping test. There are also some other tests that researchers are looking at, but no one has given them any time lines as to when that will be available. An example is the scraping test that I thought would be validated over a year ago is still in the process of being validated.

SENATOR DEVLIN asked who has been working on these tests. Dr. Gertonson said primarily the Agricultural Research Service, a division of USDA AFIS and the Colorado Department of Fish, Wildlife and Game is working on it.

SENATOR DEVLIN asked Pat Graham, Director, Fish, Wildlife and Parks if his Department was making any efforts in this research. Mr. Graham said that his Department does not have any research capability. Also, his Department has not been asked for any

money toward this research. They do participate in the Western Wildlife Disease Committee which is a group of scientific professionals. Their Department have people who sit in on that committee and coordinate issues such as this.

{Tape : 1; Side : B; Approx. Time Counter : 80}

SENATOR HALLIGAN asked Mr. Graham how many new applications are presently before the Department and how many animals would be involved. Mr. Graham said there are five applications pending. He did not have the information concerning number of animals, but that information is available and he could get it for the Committee's knowledge. The applications are sent to their regional offices and that is where the applications are processed. One of the questions the Sponsor had was to know when the process begins and how many actual applications were involved and at what stage they were at. The Department has 30 days once an application is submitted to determine whether that application has sufficient information to begin the process of licensing. If it does not, the application is sent back to them for additional information. There are a couple of applications that have just come in the past week or so that have not actually been reviewed to see if there is sufficient information. So the question, this morning, was at what point does the process begin. Mr. Petesch said the process begins when the Department receives the application. Technically, the Department has 30 days in which the application is reviewed. All the information has not been gathered at this point.

SENATOR HALLIGAN continued and asked about the retroactive issue and whether there is a property rights violation if the bill is made retroactive so that even new applications are not accepted until the live test is available. People may try to get their applications in before the deadline if this bill becomes law. Also, how do existing operations apply for expansions? Can they expand or are only new applications addressed in this bill? Mr. Graham said they file the same type of form for an expansion as they do for a new license. In an expansion they have to provide information on how big of an operation, how many animals, description, etc.

SEN. HALLIGAN asked if those would be restricted under this legislation. Mr. Graham said this is not really clear. However,

if they are going to expand they have a review process that is similar to new licenses and this needs to be clarified.

SEN. HALLIGAN said this needs to be clarified as expansion and new licensing may be different. He said he would also like to have some legal analysis of the retroactivity issue.

SEN. EKEGREN asked if a game farm needs an application if they want to expand the number of animals on their farm. Mr. Graham said if the license is going to be modified they have to apply for a change.

SEN. EKEGREN asked if diseases such as TB and other diseases are treatable with vaccination, etc. Dr. Gertonson said there is no vaccine for tuberculosis but there is one for Brucellosis.

SEN. EKEGREN asked how evident is TB in animals. Dr. Gertonson said usually not until the later stages of the disease.

{Tape : 1; Side : B; Approx. Time Counter : 106}

SEN. JERGESON asked if a person who owns a game farm wanted to transfer a license to a new owner is this counted as a new application. Mr. Graham said no, they don't go through the environmental review process, etc.

SEN. JERGESON asked if the legal staff of the Fish, Wildlife and Parks has reviewed whether or not a regulation such as this that restricts entry into the profession for a period of time creates a property rights issue on the license and would it affect the value of that license. Mr. Graham said they have not looked at that however that issue does come up on outfitting and putting a moratorium on the number of outfitters.

SEN. JERGESON asked if they created a regulation for the value of that license beyond the value of the tangible property then subsequent regulation that affect the value of that license may have a property takings issue. Mr. Graham said he did not know for sure.

{Tape : 1; Side : B; Approx. Time Counter : 160}

SEN. TESTER asked if it is safe to assume that from a public point of view that they want to do something to prevent the spread of CWD. Mark Taylor said that was correct.

SEN. TESTER asked if it wouldn't be appropriate to amend the bill to reflect animal movement such as moving from one state to another. Dr. Gertonson said at the present time they have a surveillance period for animals moving into the state from other states.

SEN. TESTER said would it be appropriate to put a moratorium on the movement of these animals. Dr. Gertonson said from a disease control standpoint it would depend on the sensitivity of the test.

{Tape : 1; Side : B; Approx. Time Counter : 328}

Doug Sternberg, Legislative Branch, said the main scope of this bill is dealing with the moratorium issue. The bill does address new licenses on line 14, but the title does talk about initial livestock licenses. Expansions and transfer licenses probably would not apply in this bill. The retroactivity question is taken care of by the saving clause so that people who are already in the process would not be affected by this legislation.

SEN. TESTER said since this is narrowly focused would it be possible to do this by rule. Mr. Graham said perhaps they could do it by rule, but the disease aspect is with the Department of Livestock and the Licensing is with the Department of Fish Wildlife and Parks.

{Tape : 2; Side : A; Approx. Time Counter : 23}

SEN. MESAROS said there is a five year surveillance of animals in Montana and is this more restrictive or less than other states. Dr. Gertonson said the five year surveillance is longer than any other state.

SEN. MESAROS said CWD has been identified in Colorado for about 20 or 30 years. He asked if there is any work by the department directed at harvesting and discarding those animals and bringing about a level of awareness to the public. Mr. Graham said they have not done this in Montana, but the Departments of Wyoming and

Colorado put out brochures to inform hunters that hunt in those specific districts.

{Tape : 2; Side : A; Approx. Time Counter : 49}

SEN. RIC HOLDEN asked what does the initiative do specifically. Stan Fraser said the State of Montana will issue no licenses for any new alternative livestock facilities nor allow the transfer of any existing licenses nor acreage expansion. Shooting of big game or alternative livestock for a fee would be prohibited.

SEN. HOLDEN asked if this bill would derail the initiative. Mr. Fraser said no he didn't think it would but it might mess with the intent. He said last year when they discussed double fencing, alternative livestock producers refused to even talk about it.

SEN. HOLDEN said in Montana they are trying to do everything to keep agriculture going and keep it sustainable. He said but many people want to shut this sort of commerce down and how does this make sense when many people in Montana like and eat this kind of food. Mr. Fraser said alternative livestock is not a legitimate industry, they do not have a meat market. The biggest money is made in the selling of breeding stock, selling of horns and the shooter bull operations.

SEN. SPRAGUE said if he had a game farm and he sold it or he purchased a game farm would he get the owner's license or would he have to reapply. Mr. Taylor said he would actually be purchasing the licences from the existing property owners.

SEN. SPRAGUE asked if CWD is in the brain only and the animal has to be killed for an autopsy. Dr. Gertonson said at this time the test is done in the brain but they are looking at other tissues to see if they will pick up CWD.

SEN. SPRAGUE asked if they would have to sacrifice an animal so that it could be tested. Wouldn't there have to be a controlled animal that was known to be infected. Dr. Gertonson said they don't know the route of infection.

{Tape : 2; Side : A; Approx. Time Counter : 154}

SEN. DEVLIN asked if the initiative included the demand for double fencing. Stan Fraser said no it did not.

SEN. DEVLIN said on some of these game farms they kill animals and do they take samples from those game animals to see if any are infected. Dr. Gertonson said at this time all livestock that dies on an alternative livestock operation for any reason is tested.

SEN. JABS asked are they tested even if they are shot by a hunter. Dr. Gertonson said yes any animal over 16 months of age is tested.

SEN. HOLDEN asked what has been the results of those tests. Dr. Gertonson said they have only found one animal so far at Philipsburg and they have tested over 500 animals.

{Tape : 2; Side : A; Approx. Time Counter : 205}

SEN. EKEGREN asked how did the hysteria develop over a disease that doesn't appear to be there. Is this a wildlife federation problem or where does this come from. Dr. Gertonson said the hysteria evolves from the fact that CWD is considered a transmittable disease. There is the fear that there may be a cause and effect that may cause other diseases that may affect humans.

SEN. EKEGREN asked if they check elk carcasses that hunters get in the fall. Mr. Graham said there was concern that the game farm animals may have been infected from wild animals and they have set up testing around that area and other check stations but have found no disease in these wild animals.

SEN. EKEGREN asked how many tests have been done. Mr. Graham said they did 420 last year and 600 this year.

SEN. EKEGREN said not every animal is tested then. Mr. Graham said no it is just a sample. He said they did heavier sampling in the areas where CWD was found. There are a number of other states in the west that are doing the same thing.

SEN. MESAROS asked what were the tests on the wild animals in the areas where CWD was found. Mr. Graham said the tests were negative.

{Tape : 2; Side : A; Approx. Time Counter : 283}

SEN. HALLIGAN asked if CWD is transmittable to humans. Dr. Gertonson said no.

SEN. JABS asked if a person wants to expand would they have to keep more replacements or could they be brought in from the outside. Mr. Graham said under the current rules adopted by the Department of Livestock the only way that animals can be brought in to the state is after the five year wait on testing. They would either have to raise their own replacements or buy from another facility in the state as long as the species is the same.

SEN. BARTLETT asked if they know the sensitivity on the test that they now have on CWD. Dr. Gertonson said the researchers are very comfortable with the test as it is about 85 percent sensitive.

{Tape : 2; Side : A; Approx. Time Counter : 331}

Closing by Sponsor:

SEN. HERTEL said it is his intention with this bill to deal with CWD. This is a good attempt from the alternative livestock people in trying to get this particular movement to move along faster and find a remedy for CWD.

EXECUTIVE ACTION ON SB 7

Motion: SEN. EKEGREN moved that SB 7 DO PASS.

Substitute Motion/Vote: SEN. HALLIGAN made a substitute motion TO AMEND LINE 15 AFTER AND TO INSERT INITIAL ALTERNATIVE LIVESTOCK RANCH LICENSES, so that it is the same as the title. Substitute motion carried 14-0.

Substitute Motion/Vote: SEN. HALLIGAN made a substitute motion TO AMEND IN THE SAVINGS CLAUSE ON LINE 17, PAGE 2 STRIKE PROCEEDINGS THAT WERE DONE AND ADD APPLICATIONS THAT WERE SUBMITTED. Substitute motion carried 14-0.

Motion: SEN. DEVLIN moved that SB 7 DO PASS AS AMENDED.

Discussion:

SEN. JERGESON said if they institute a moratorium on an enterprise does that create a property value for that license. This could create a permanent moratorium and this would hurt economic development.

SEN. JABS said if they find a way to cure this disease then this moratorium would be open again.

SEN. SPRAGUE said the title of the bill clearly spells out that after a live test has been developed and approved that this moratorium is over.

SEN. HALLIGAN said even if they do find a live test there is still the problem of the incubation period and this could be critical.

SEN. MESAROS said there has been a lot of research in this area and a live animal test is an important step.

Vote: Motion carried 13-1 with Halligan voting no.

**STATE OF MONTANA
SPECIAL SESSION**

**Agriculture Committee
May 10, 2000**

Members Present:

Rep. Joe Barnett, Chairman
Rep. John Holden, Vice-Chair Majority
Rep. Ralph Lenhart, Vice-Chair Minority
Rep. Darrel Adams
Rep. Paul Clark
Rep. Bill Eggers
Rep. Kathleen Galvin-Halcro
Rep. Mary Anne Guggenheim
Rep. Don Hedges
Rep. Monica Lindeen
Rep. Gay Ann Masolo
Rep. Sam Rose
Rep. Brennan Ryan
Rep. Frank Smith
Rep. Cliff Trexler

Members Excused:

Rep. Rick Dale
Rep. Verdell Jackson
Rep. Rick Jore
Rep. Robert Story
Rep. Bill Thomas

Staff Present: Todd Everts, Legislative Fiscal Division
Mary Lou Schmitz, Secretary

Chairman Joe Barnett called the meeting to order at 8:30 a.m. Roll call was taken.

HEARING ON HJR 2

Sponsor: Rep. John Witt, HD 89 said this is a bill to not change a designation on the Missouri River that has raised a lot of controversy in the last few months. He represents the majority of the Wild and Scenic Rivers portion in Choteau County which follows the river near Great Falls to

people in his area are entitled to and demand a place that is stable. They don't need a change in designation and cows and canoes can work together on the Missouri. He closed the hearing on HJR 2.

Hearing on SB 7

Sen. John Hertel, SD 47 said SB 7 only adds one sentence to the code of 84-4-407 and it appears on pages 14-16. The title explains it "an act imposing a moratorium on new applications for initial alternative livestock ranch licenses until a live test for chronic wasting disease is developed". Any new application for a game farm after the enactment of this law would be affected. Otherwise the Fish, Wildlife and Parks would not issue a new license for those applying after this law is in affect. It doesn't alter those licenses that are already being considered at the present time. Director Graham said there are about five of those that fit in that category and would not be affected by this law.

The only way to check to see if an animal has this disease is to obtain some brain cells and test these cells through various methods and the only way to obtain these brain cells is if the animal is dead. This is the reason why this live test is so desperately needed. The Department of Livestock is getting closer to developing a live test. The Senate put a couple minor amendments on the bill. One is on line 15, page 1 and the other is on line 17, page 2 to help clarify the bill.

Tape 2, Side A

Proponents: Mark Taylor, Montana Alternative Livestock Producers, EXHIBIT 1.

Gerri Backes, Kalispell, Montana Alternative Livestock Producers

Bob Spoklie, Past President, Montana Alternative Livestock Producers

Rep. Larry Grinde, HD 94

Opponents: Stan Frasier, Self

David Dittloff, Montana Wildlife Federation

John Smart, Self

Informational Witnesses: None

Questions from the Committee: In answer to questions from Rep. Rose, Mr. Dittloff said the Montana Wildlife Federation is an advocacy organization. They have not directly put in any money for research. They do advocate various government agencies for research. They are in close communication with the research facilities in Ames, Iowa, Wyoming and Northern

Colorado. Their parent organization, National Wildlife Federation, has made wildlife diseases one of their top priorities. They spend hundreds of thousands of dollars a year on wildlife diseases including chronic wasting disease, brucellosis and tuberculosis. The Montana Wildlife Federation looks forward to when there is a live test for this disease.

Mr. Dittloff said most people seem to think single fencing can be a significant problem through some sort of contact whether it is saliva or feces. Double fencing separation would prevent that kind of nose to nose contact. It would drastically reduce air-borne transmission. It would not take care of it if it gets in the water system but double fencing is a good start.

Rep. Holden asked Pat Graham, Director, Fish, Wildlife and Parks what his definition is of alternative livestock. Mr. Graham said there are a number of species. Pheasants and bison are not included. Bison are classified three different ways under state law. Pheasants are covered under different legislation. Bear and mountain lions have different regulatory requirements. The commission in the early 90s restricted the importation of a host of non-native species into the state of Montana, wild boar among them.

In answer to a question by Rep. Holden, Mr. Graham said they do not license facilities on Indian Reservations.

Tape 2, Side B

In answer to a question by Rep. Guggenheim concerning transfer of animals, Mr. Graham said the transfer is handled by the Department of Livestock and has regulations. His department, Fish, Wildlife and Parks is responsible for assuring that the facility maintains the requirements for licensing. If someone wanted to transfer animals onto a facility where they weren't licensed then his department would be involved.. The total capacity of a facility is determined by the department conducting an environmental assessment on each new license and make the determination on evaluation. Jim Feldman, Fish, Wildlife and Parks also commented..

In answer to a question from Rep. Clark, Dr. Arnold Gertonson, State Veterinarian, Department of Livestock said a live test would be an aid but it would depend on the sensitivity of that test. Sensitivity refers to the number of animals that are actually inspected. Specificity means it would detect just CWD. Any animal, 16 months of age or older, that dies on an alternative livestock ranch must have samples submitted to his laboratory.

Reps. Smith, Rose, Hedges asked for further clarification and Mr. Graham responded.

Sen. Hertel closed the Hearing on SB 7 by saying there are many unknowns where CWD is concerned which is unfortunate but that is reality. Various departments are trying desperately to learn all they can about this and become better acquainted so they can find a live test to help curb this disease. He thinks it is a very meaningful bill. The alternative livestock organization is the most highly regulated industry in agriculture today. They are trying to make a concerted effort to

keep diseases under control. The bill does three things, it meets the status quo of licensing, it does meet the concerns of the alternative livestock members as well as other people in the general public and it does allow science to become involved.

EXECUTIVE ACTION SB 7

Motion: Rep. Rose moved Do Concur SB 7

Discussion: Reps. Clark, Adams, Hedges, Guggenheim, Rose, Eggers, Lindeen, Ryan voiced concerns and observations.

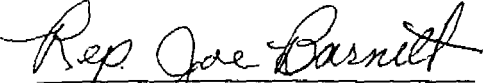
Motion: Rep. Clark moved a House Committee of the Whole Amendment to SB 7 to read Title, line 5 following "licenses" insert "and applications for expansions of existing operations" and page 1, line 15 following "license" insert "or new applications for an expansion of an existing alternative livestock ranch".

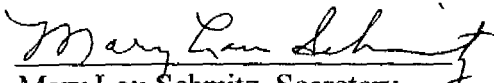
Vote: Rep. Rose's Do Concur motion carried 14-5 with Reps. Clark, Eggers, Galvin-Halcro, Guggenheim and Lindeen voting no. Rep. Jore abstained.

EXECUTIVE ACTION HJR 2

Motion/Vote: Rep. Masolo moved HJR 2 Do Pass. Motion carried 14-5 with Reps. Clark, Eggers, Galvin-Halcro, Guggenheim and Lindeen voting no. Rep. Jore abstained

Chairman Barnett adjourned the meeting at 11:05 a.m.


Rep. Joe Barnett, Chairman


Mary Lou Schmitz, Secretary

JB/mls

SENATE BILL NO. 7

INTRODUCED BY J. HERTEL

A BILL FOR AN ACT ENTITLED: "AN ACT IMPOSING A MORATORIUM ON NEW APPLICATIONS FOR INITIAL ALTERNATIVE LIVESTOCK RANCH LICENSES UNTIL A LIVE TEST FOR CHRONIC WASTING DISEASE IS DEVELOPED AND IS APPROVED BY THE DEPARTMENT OF LIVESTOCK; AMENDING SECTIONS 87-4-407 AND 87-4-411, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 87-4-407, MCA, is amended to read:

"87-4-407. License required -- moratorium -- penalty -- seizure of illegally possessed animals. (1)

A person may not operate an alternative livestock ranch in this state without first obtaining an alternative livestock ranch license from the department. The department may not accept any new applications for an alternative livestock ranch license until a live test for chronic wasting disease is developed and is approved by the department of livestock.

(2) A person who operates an alternative livestock ranch without a license or possesses, transports, buys, or sells animals whose importation into the state is restricted pursuant to 87-4-424 is guilty of a misdemeanor and is subject to the penalties provided in 87-4-427(4).

(3) Any animal held in violation of subsection (2) or otherwise illegally possessed may be immediately seized by the department and is subject to disposal by the department. Costs of seizure may be charged to the person in possession of the animal."

Section 2. Section 87-4-411, MCA, is amended to read:

"87-4-411. License and renewal fees -- deposit of fees. (1) ~~The~~ Except as provided in 87-4-407(1), the department shall charge an initial alternative livestock ranch license fee and an annual renewal fee based on the following scale:

(a) an alternative livestock ranch with 1 to 20 alternative livestock, an initial license fee of \$200 and an annual renewal fee of \$100;

(b) an alternative livestock ranch with 21 to 60 alternative livestock, an initial license fee of \$300

1 and an annual renewal fee of \$200; and

2 (c) an alternative livestock ranch with more than 60 alternative livestock, an initial license fee of
3 \$400 and an annual renewal fee of \$400.

4 (2) In addition to the fees assessed under subsection (1), the department shall charge applicants
5 a fee of \$4 an acre based on the total number of acres indicated in the application for a license. In cases
6 of an application for a license modification, the fee applies only if an acreage expansion is proposed.

7 (3) The department of livestock shall assess a fee, not to exceed \$50, for each alternative
8 livestock imported into the state.

9 (4) (a) One-half of the fees collected pursuant to subsection (1) and all of the fees collected
10 pursuant to subsection (2) must be deposited in the state special revenue fund for the use of the
11 department for purposes of this part.

12 (b) One-half of the fees collected pursuant to subsection (1) and all import fees collected pursuant
13 to subsection (3) must be deposited in the state special revenue fund for the use of the department of
14 livestock for purposes of this part."

15

16 NEW SECTION. **Section 3. Saving clause.** [This act] does not affect rights and duties that
17 matured, penalties that were incurred, or proceedings that were begun before [the effective date of this
18 act].

19

20 NEW SECTION. **Section 4. Effective date.** [This act] is effective on passage and approval.

21

- END -